



OXFORD ANALYTICA

POLAND

FISCAL TRANSPARENCY

Country Report 2005

Copyright © December 2005

Oxford Analytica Ltd
5 Alfred Street
Oxford OX1 4EH

Any reproduction in whole or in part without
the written consent of Oxford Analytica Ltd
is strictly forbidden.

POLAND



COMPLIANCE RATINGS

<i>Fiscal transparency</i>	2005	2004	2003	2002
Clarity of roles	••••	••••	--	--
Availability of information	••••	••••	--	--
Budget preparation	••••	••••	--	--
Accountability	••••	••••	--	--
Score	4.00	4.00	--	--

OUTLOOK & COMMENTARY

Polish fiscal transparency standards have improved dramatically in recent years and further progress is very likely, not least because of the commitment of the new government to weeding out inefficiency, waste, and corruption. The Polish fiscal system has in the past shown itself resistant to reform and the government's position is weakened by its minority status. Thus generally positive progress may be hampered by compromises and difficulties in matching the need to finance election promises with the general commitment to controlling the deficit.

In the medium-term perspective, progress in the area of fiscal transparency will have to involve a continued commitment to reducing and rationalising the public sector. At the same time, fiscal operations should continue to be consolidated and uniform standards adopted. This is particularly important with respect to the entities that operate under their own regulations regarding fiscal reporting. In addition, attention should be paid to explaining discrepancies in domestic and EU-compliant fiscal statistics.

EXECUTIVE SUMMARY

4.00 Compliance in progress

Poland has continued its steady progress towards higher fiscal transparency standards and has had the privilege of doing so against the backdrop of gradual fiscal consolidation in the face of favourable macroeconomic conditions. Budget preparation has been standardised and transparency further boosted by the adoption of a system of medium-term forecasts that are incorporated in the budget documents. In addition, Poland's EU membership outside the euro-zone with no opt-out clause mandates the annual publication of a Convergence Programme designed to improve medium-term planning through the requirement to lay down the plans for converging with the Maastricht criteria.

Data on budget execution is comprehensive, accurate, and relatively timely. Significant progress has been made in recent years in adopting broadly uniform reporting standards across the general government sector. However, the data provided is still only estimates in the first instance with final data only becoming available after a considerable lag. This continues to have the unfortunate consequence that disproportionate attention is paid to the estate budget as a proxy for the overall fiscal stance. Moreover, the regulations governing accounting and reporting by the various entities operating outside of the state budget are yet to be properly harmonised.

The quality of fiscal statistics is generally good. The data used by the government is based on a national cash methodology. Attempts to move towards accrual accounting appear to have been abandoned for now, partly in order to ensure consistency in planning and reporting. The government data is converted into an ESA95-compliant format by the Central Statistical Office (GUS), which is the national reporting agency to Eurostat. GUS is currently formalising its methodology to govern the process. The completion of this work should eliminate most of the confusion and apparent inconsistency associated with Polish fiscal data up to now. The data submitted to Eurostat has in recent years often painted a significantly different picture than domestic data. One source of discrepancy, the treatment of Poland's funded pension funds, has been resolved by a five-year derogation granted by Eurostat.

Poland's commitment to euro adoption is supported by an unusual constitutional requirement to cap public sector debt at 60% of GDP. The Act on Public Finances sets three threshold levels for all tiers of general government -- 50, 55, and 60% of GDP -- that automatically trigger policy responses designed to bring indebtedness back under control. These will continue to act as a major force for fiscal sustainability and transparency, although deterioration in the macroeconomic conditions might carry the risk of short-term responses designed to ensure formal compliance with the laws.

The parliamentary and presidential elections this year resulted in a change of government. While the new government is committed to fiscal sustainability and cutting waste, its minority status may make it difficult to find adequate funding for the key election promises.

Poland's overall score remains unchanged from last year.

1. CLARITY OF ROLES, RESPONSIBILITIES, AND OBJECTIVES



Compliance in progress

The government sector should be distinguished from the rest of the public sector and from the rest of the economy, and policy and management roles within the public sector should be clear and publicly disclosed.

Structure, functions, and responsibilities of government

The 1997 Constitution of the Republic of Poland, the 1998 *Act on Public Finances*, and several other legal documents define the responsibilities of the government and set it apart from the private sector. The government consists of the central government in Warsaw, 16 regional voivodships (*województwa*), 308 counties (*powiaty*), and some 2,425 municipal administrations (*gminy*).¹ Although the *Act on Public Finances* provides a formal delineation of the public sector, the practical significance of its provision has tended to be compromised by the operation of a number of agencies and funds engaged in fiscal activities outside of the public sector. However, ongoing institutional consolidation has reduced the magnitude of the discrepancy.²

The central government is fairly fragmented in as much as nine social security funds, seven extra-budgetary funds, and a number of other off-budget entities operate separately from the central budget and typically on the basis of their own founding legislation and rules.³ There is comparable fragmentation at the sub-national level. The state budget in 2003 accounted for only 47% of the overall public sector revenues and 52% of the spending.⁴

Most fiscal activities are undertaken by the central government and the municipalities. Indeed, there has been a general tendency to shift responsibilities towards the municipalities, which in 2005 will receive 35.6% of the total income tax receipts. The voivodships are relatively unimportant in fiscal terms, where their main responsibility pertains to regional development contracts. The counties are involved in education and public safety (fire), as well as the health sector where they tend to remain the notional owners of hospitals. It is widely felt that the county structure is too fragmented and the responsibilities of *powiats* diluted, especially in health care. Municipalities are responsible, among other things, for education, local infrastructure, and some social assistance. Equalisation funds of some 2 billion złoty are transferred between municipalities and counties.⁵

Coordination and management of budgetary activities

The 1998 *Act on Public Finances* is the main legal document governing the budgetary process at all levels of government. It covers the process from the drafting of the budget to reporting and includes sanctions for non-compliance.⁶ The government is currently preparing a reform of the Act.⁷

The coordination of budgetary activities has benefited from the ability of the government to reverse the proliferation of independent public sector agencies since the turn of the decade. A number of administrative offices and agencies -- most importantly the National Labour Office, the Customs Administration, the Highway Construction and Operation Agency, and the Privatisation Agency -- have been closed down and integrated with line ministries. This process is set to continue under the government's medium-term fiscal reform plan. The government has further curtailed the use of earmarked off-budget accounts, typically used for bonus payments to civil servants, by converting the so-called "special means" in the state budget into 16 new funds that will be easier to control.⁸ However, progress has not been entirely linear. A 2004 amendment to the *Act on Public Highways* introduced a fuel

surcharge, which was earmarked for the National Road Fund (*Krajowy Fundusz Drogowy*) that finances the public highway programme. The government can also transfer funds from its equity holdings in listed companies to such infrastructure projects.⁹

The division of labour between the national and sub-national governments has been changed in recent years through de-centralisation. The policy has been motivated by a desire to increase the efficiency of government spending by increasing the use of subsidies. A range of specific state subsidies to local governments has been replaced by allocating them a greater share of the income tax receipts. The government is currently working on plans to eliminate the remaining areas of overlap.¹⁰

Transparency has declined as a result of the decision to place the budget of the judiciary outside of government control, although it still remains part of the central government budget.¹¹

The government this year adopted a medium-term Strategy on the Management of Public Finances for 2005-2008, which sets a number of objectives for structural reforms in the areas of budget, tax, and management strategies. The purpose of the strategy is to rationalise public expenditures and increase their elasticity, improve regulation, simplify the system of taxation, and modernise the system of public finance management.¹²

The process of accounting for EU funds in the budget has proven problematic to date. In an attempt to make provisions for co-payment, Poland initially adopted a cautious stance. However, the limited absorption ability left the government with relatively large reserves. The system is currently being adjusted and involves an inevitable learning process.¹³

Relations between government and public sector agencies

The National Bank of Poland (NBP) is a constitutionally independent entity. The government is unable to influence the policies of the NBP and is constitutionally unable to incur any fiscal liabilities with the central bank.¹⁴ Relations between the NBP and the Ministry of Finance (MoF) have improved significantly in recent years. There are regular monthly meetings of the Public Debt Management Committee, which includes representatives from both institutions. Similarly, the two organisations collaborate in the context of the Inter-Departmental Working Group on Poland's Integration with the EMU. The group was set up in 2002 and monthly meetings have been held since 2004 to discuss the general macroeconomic situation and prospects for euro adoption. Among other things, the group is preparing a strategy for Poland's accession to the euro-zone. All meetings are followed by press releases. There are close contacts on lower levels, as well.¹⁵

The NBP produces an opinion on the government's budget which is available on its website.¹⁶

The government's stakes in companies are directly managed by the Ministry of the Treasury (MoT), rather than an independent agency. All state-owned enterprises are managed independently. The government has tended to use state shares in listed companies to recapitalise state-owned enterprises outside of the budget. Starting with the 2004 budget, gross privatisation receipts and their use outside of the state budget is presented in the state budget financing table.¹⁷

Government involvement in the private sector

The government still holds equity stakes in a number of companies and, indeed, the overall share of public ownership in the economy -- about 30% of GDP -- is higher than in most other Central-Eastern European countries.¹⁸ SOEs account for some 20% of total employment in the country.

The government headed by Marek Belka in 2004-05 pursued an ambitious privatisation plan with a view to reducing state ownership in the economy to 5-15%. Privatisation procedures were initiated in a total of 354 state-owned enterprises during the 2001-05 parliament. The Register of State-Owned Enterprises (REGON) had 1,124 SOEs as of 30 June 2005. There were 449 companies in which the Treasury was the sole shareholder. The total value of the assets managed by the Treasury is some 140 billion złoty, although some SOE -- the State Railways, coalmines, and the defence industry -- are not controlled by the MoT, something that the new government looks likely to change. In addition to granting the Treasury the management responsibility for all SOEs, the government intends to establish proper corporate governance and disclosure standards for them.¹⁹ Among other things, the government owns 98.8% of the Warsaw Stock Exchange and, indirectly, a majority of the National Securities Depository, although a privatisation plan is under consideration.²⁰ The new centre-right government has adopted a more cautious stance on privatisation than its predecessor. Many of the remaining SOEs are in "sensitive" sectors such as coal, energy, transportation, and defence. The authorities are eager to avoid costly mistakes, especially in the energy sector where a great deal of additional restructuring is deemed necessary, especially to ensure access to competitive prices by consumers. Some 100 SOEs are treated as strategic.

The earmarking of income from privatisation has increased in recent years and now accounts for roughly one-quarter of the total. Some 15% of the revenues are transferred to special funds such as the Fund for Enterprise Restructuring to restructure SOEs. These funds are not subject to the Budget Act. The Ministry of the Treasury retains some 2% of the receipts to cover the costs of the privatisation process. The MoT also operates a separate Restitution Fund to secure claims associated with the process of restitution of nationalised property; 5% of the shares in 715 Treasury-owned companies have been transferred to the fund.²¹

The 1999 reform of the Polish pension system was modelled on a three-pillar structure of retirement savings, which is partly run by the state and partly by the private sector regulated by the government. The first pillar -- operated by the state pension fund ZUS (Zakład Ubezpieczeń Społecznych) -- consists of a public notional defined contribution pay-as-you-go scheme. The second pillar is composed of a compulsory funded scheme and there is, in addition, a voluntary funded scheme. Private pension funds are operated by 16 privately run pension fund management companies.²² The transition to a funded pension system has been complicated with extensive arrears, caused by IT problems, between the State Pension Fund and the privately run open pension funds. The government is currently clearing the arrears by issuing euro-bonds.

Communications with the private sector are of critical importance for allowing the government to meet its borrowing requirements through issues of Treasury debt obligations. The Ministry of Finance now publishes a debt issuance strategy and plan. A system of licensed primary dealers was established in 2003, along with efforts to move a growing share of trading from the interbank OTC market to the more transparent Electronic Platform in Government Securities. The MoF has monthly meetings with primary dealers and actively seeks feedback. The government is currently opening up the primary dealer system to foreign market participants.²³

The government at various levels still regulates some prices. Administered prices are typically defined to include goods whose prices depend substantially on excise duties (e.g., fuels, alcohol, tobacco), prices capped through other regulatory mechanisms (e.g., electricity, gas), and prices set by local governments (e.g., local transport). The measure of inflation net of controlled prices used by the NBP excludes alcohol, tobacco, fuels, transportation, postal services, telecommunications, and insurance. Altogether, the NBP measure excludes some 25 percent of the overall CPI basket. The share of regulated prices was 17.4% in 2003, whereas 9.9% were controlled through excise duties.²⁴

In general, government regulation of the private sector broadly conforms to EU standards. The Office for the Protection of Competition and Consumers (*Urząd Ochrony Konkurencji i Konsumentów*) plays a key role in the process.²⁵

There should be a clear legal and administrative framework for fiscal management

Legal framework for budgetary activities

The main legal document governing budgetary activities is the *Act on Public Finances*. It regulates the basic parameters of fiscal activity across the public sector, including sub-national governments. It establishes a well-defined budgetary process, delineates the public sector, sets the standards for borrowing, and provides sanctions for non-compliance.²⁶

Even though the *Act on Public Finances* regulates all revenues and expenditure streams defined as public, extra-budgetary funds and state agencies in many cases still operate under their own founding legislation that sets different standards for budgetary activities.²⁷

Legal framework for taxation

Taxes and duties are levied in accordance with formal legal provisions. The tax legislation remains complex, marked by a variety of exemptions and preferences, but the government has since 2002 been pursuing an ambitious programme to simplify the system. Many personal income tax allowances have been eliminated and depreciation rules simplified for corporate income purposes. Similarly, VAT exemptions paid to companies employing disabled workers have been replaced with direct subsidies.²⁸ The new government is committed to a package of tax cuts. The tax system remains one of the reasons for a fairly sizeable grey economy estimated at some 16% of GDP.²⁹ The rights and duties of taxpayers are laid out in the *Tax Ordinance Act*. The 2004 *Customs Law*, which complies with EU standards, is the main legal document regulating customs duties and procedures.³⁰

The quality of tax administration is widely seen to be fairly low, although a reform programme over the past two years has brought about some improvements, including service centres at most tax offices and a streamlining of their administrative procedures.³¹ The MoF has further established a central database of tax laws, along with their interpretation and guidelines for tax administrators.³² January 2004 also saw the establishment of special offices for large taxpayers.³³ The Polish Customs Administration (*Służba Celna*) operates under the auspices of the MoF.³⁴

Ethical standards for public servants

The rights and duties of public servants are specified in the 1998 *Act on Civil Service*. The Civil Service Office is responsible for auditing compliance with the legal provisions.³⁵ The *Act on Restricting the Pursuit of Business Activities by Persons Performing Public Function* is designed to eliminate conflicts of interest at the managerial level. Since 2002, Poland has had a Code of Ethics for the Civil Service that, unusually, is not a normative document. It is made up of five articles and purports to ensure reliability, professionalism, neutrality, and political impartiality. However, the authorities have indicated that violations of the Code may trigger disciplinary measures. There are special codes of ethics for internal auditors and the Customs Service.³⁶

As many other transition economies of Central-Eastern Europe, corruption remains an entrenched problem in Poland. The 2005 Transparency International Corruption Perceptions Index ranked Poland 70th of the 159 countries reviewed with a score of 3.4 out of 10.³⁷ The government adopted an Anti-Corruption Strategy in 2002. The first report on the implementation of the programme was approved by the Council of Ministers in February 2003. Thereafter, quarterly reports have been produced on progress made in the authorities' anti-corruption efforts.³⁸

2. PUBLIC AVAILABILITY OF INFORMATION



Compliance in progress

The public should be provided with full information on the past, current, and projected fiscal activity of government.

Central government operations

The annual budget law covers the operations of the central government budget. The draft budget documents are published on the MoF website simultaneously with their presentation to the parliament. The activities of the extra-budgetary funds are appended as separate appendices. Since 2003, the annual financial plans of state agencies have been included in the budget law. The budget documents include information on the outturns of the previous two fiscal years. The *Act on Public Finances* mandates the publication of information on the main fiscal aggregates of the central government on a biannual basis.³⁹

Starting in 2003, the MoF has published monthly data on central government accounts in the GFS 1986 format on its website. In addition, the website includes analytical studies prepared by the Ministry's staff.⁴⁰

The government deficit is reported on a cash basis and some information is provided on expenditure commitments. Central government accounts are published each month with a lag of six weeks. Annual reports are submitted to the parliament within five months of the end of the fiscal year. Data on the social security fund, however, is reported only once a year.⁴¹

The consolidated government statistics include the gross operations of state agencies, as well as all budgetary entities with a legal personality, such as the Polish Academy of Sciences, cultural institutions, and health care providers owned by the central government.⁴²

Since 2000, the budget documents have included a risk-weighted overview of outstanding government guarantees. In addition, annual reports on guarantees are published.⁴³

There is some residual dispute over the exact remit of the central government. Certain institutions are not included in the state budget, although they are covered by the Law on State Budget. Similarly, some criticism has been levelled against the government's treatment of EU structural funds which are remitted in advance for future project financing. At the moment, Poland, which is the largest net recipient of EU funds, is using the funds to finance the budget deficit, which has thus declined, although the future borrowing requirement has at the same time correspondingly increased.⁴⁴ However, under the current circumstances, the measure can be viewed as part of an attempt to prevent the government debt to GDP ratio from reaching 55%, which would -- under the provisions of the *Act on Public Finances* -- trigger a painful process of fiscal retrenchment.⁴⁵

Public sector operations

A particular problem of Polish public finances continues to be the disproportionate attention paid to the state budget. The government has used this state of affairs to shift certain fiscal responsibilities to other agencies in the general government with insufficient funding, which has forced them to turn to banks for additional finance.⁴⁶

A 2002 *Act on Access to Public Information* has significantly improved the availability of data on fiscal activities across the public sector. In addition, every public institution is now required to publish a bulletin of public information on their website. Reports on local government operations are published each quarter. Reporting by state agencies and funds tends to be less frequent.⁴⁷ Problematically, there is a major lag of over half a year between the end of the fiscal year and the finalisation of the preliminary data.

The operations of each extra-budgetary fund are governed by separate legislation with slightly different accounting and reporting standards and practices. The rules governing borrowing vary. In some cases, the approval of the relevant line ministry is required, in other cases not. Control over their activities remains limited and there is no systematic auditing of their operations. Moreover, the consequences of a refusal by a supervising minister to approve a report are typically minimal.⁴⁸

The requirement to prepare convergence programmes annually until euro-zone accession is likely to increase attention on the general government situation. The programmes, among other things, set out medium-term policy objectives.⁴⁹

A commitment should be made to the timely publication of fiscal information.

Debt reporting

The level and composition of gross government debt at issue value is included in the annual budget and further reported on a quarterly basis. The government further provides information on the central government's borrowing requirements on an ad hoc basis.⁵⁰ Borrowing by sub-national governments is minimal. Although the state budget accounts for only 43% of general government revenues, its share of general government debt is 96%. Risk-weighted state guarantees, which currently account for some 1.2% of GDP, are not included in the debt figure.

Since 2002, the government debt statistics include the expenditure arrears of health care facilities owned by local governments and the arrears of the state Social Insurance Fund ZUS to the second-pillar open pension funds.⁵¹ The government is currently considering the adoption of the ESA95 accounting standard for public debt statistics.⁵²

The Public Finance Act now requires the government to develop a three-year debt management strategy. It is appended to the budget.

Advance release calendars

Poland subscribes to the IMF Special Data Dissemination Standard (SDDS) and accordingly publishes release calendars for fiscal data. This is the responsibility of the Central Statistical Office.⁵³

3. OPEN BUDGET PREPARATION, EXECUTION, AND REPORTING



Compliance in progress

Fiscal policy objectives, macroeconomic framework, and risks

Fiscal policy objectives

The annual budget documents identify the government's key fiscal policy priorities. The budget law itself is accompanied by a comprehensive document providing background explanations for the different spending commitments by agency.⁵⁴

The available information on the government's medium-term policy objectives has tended to be much more scarce. The government now produces a three-year fiscal forecast according to the Polish national and EU methodologies. It is completed by the end of September and included in the budget bill. However, the medium-term framework does not constitute a formal, binding basis for the drafting of the budget. At the same time, the requirement to produce annual convergence programmes for the EU is improving the situation, even if the 2004 version still presents them in fairly broad and general terms. The convergence programmes have to include data for the current year, as well as three future years.⁵⁵ The medium-term objectives are now expected to be adhered to. Explicit information on the medium-term prospects for the extra-budgetary funds and various other general government entities is not available.⁵⁶

The Ministry of Finance in August published a consultative document on Poland's euro-zone accession. It seeks to assess how to maximise the advantages from the process.⁵⁷ However, the new government's commitment to the previous non-binding timetable is in some doubt. Prime Minister Kazimierz Marcinkiewicz has indicated that Poland will not join the euro-zone under the current parliament. While this was not a realistic goal to begin with, some preparatory work must be started and Poland should join ERM2 in 2008 to qualify for euro adoption in 2010. While the exact date of euro adoption is not critical and may well be modified, a clear timetable is likely to have a significant disciplinary effect and would thus provide a good anchor for ensuring convergence with the Maastricht criteria.

Macroeconomic framework

The Department of Financial Policy, Analysis, and Statistics of the MoF produces a monthly macroeconomic survey *Przegląd makroekonomiczny*, which surveys key developments and variables in the economy. The Ministry further publishes monthly analytical data on the exchange rates and the current account. In addition, reports by the International Monetary Fund pertaining to Poland are available through the MoF website. Medium-term forecasts are provided in the *Convergence Programme* that, among other things, assesses the impact of structural reforms on the fiscal balance of the country.⁵⁸

Fiscal risks

The budget documents typically offer relatively limited information on fiscal risks. However, the government's Strategy for Public Finances and Economic Development includes forecasts over a ten-year horizon, and these include the entire general government and the social security system.⁵⁹

Increased attention to fiscal risks has begun to be paid in medium-term policy documents. The government's debt management strategy for 2003-2005 includes an assessment of fiscal risks. Similarly, the 2002 Pre-Accession Economic Programme included an analysis of risks, as well as estimates of the structural fiscal position.⁶⁰

The 2004 *Convergence Programme* contains sensitivity analysis of the economic situation in the country and discusses macroeconomic risks with a potentially significant bearing on the fiscal balance, as well as the fiscal impact of various structural reforms. In addition, the programme analyses longer-term factors such as demography.⁶¹

Fiscal sustainability

The state budget documents contain no formal assessment of fiscal sustainability.⁶² However, the government is bound in its actions by fiscal rules designed to ensure sustainability.

First, the budgeted annual nominal deficit of the state budget cannot be exceeded without parliamentary approval. In practice, however, this provision has been circumvented through spending reserves and accounting tricks, although substantial progress has been made of late, especially in terms of discontinuing non-transparent net lending practices. Nonetheless, making the government primarily responsible for the state budget deficit creates a temptation to transfer elements of the deficit outside of the central government budget by reducing subsidies to particular funds and agencies and thereby forcing them to borrow money on the market.⁶³

Second, the national debt is constitutionally capped at 60% of GDP.⁶⁴ In addition to this, sub-national governments are legally required to limit their ratio of debt servicing costs to revenue below 15%, while the maximum permissible debt-to-revenue ratio is 60%. Foreign-currency borrowing from international financial institutions presupposes central government approval.⁶⁵

Basing the deficit rule exclusively on government budgets is somewhat problematic at a time when the importance of the general government fiscal stance has increasingly come to dominate the policy debate. The decision, in the 2004 budget, to exclude transfers to the open pension funds from central government expenditure has become the focus of a controversy with Eurostat. Basing the fiscal rule on the general government fiscal stance would have the additional benefit of curbing pro-cyclical tendencies in fiscal policy.⁶⁶

Borrowing by sub-national governments has not been a problem to date and the scale of it is controlled by the *Act on Public Finances*. Problematically, however, the conditions do not differentiate between sub-national governments based on their economic circumstances and prospects. Indeed, the restrictions placed by the Act on borrowing by the richer entities are widely deemed to be too restrictive.

Sustainability against demographic developments has improved a great deal as a result of the pension reform of 1999. The *Convergence Programme* provides some discussion of fiscal sustainability.

Budget presentation

Data reporting

The budget documents for the general government clearly classify budget information broadly in line with international best practices, although administrative classification of expenditure commitments is more consistent than either economic or functional classifications. The government budget incorporates the financial plans of the extra-budgetary funds as appendices. They are drawn up on largely similar principles, although the accounting methods and classifications differ. The budget documents clearly differentiate between ongoing and new spending

commitments. Programme objectives are clearly identified in each instance. Problematically, however, funds and agencies are able up to a point to unilaterally reallocate spending among budget items.⁶⁷

The government's fiscal position has, since 2002, been presented in an ESA95-compliant fashion. The annual budget report explicitly reconciles budget execution with the original estimates and attributes any deviations to causes such as exogenous shocks, policy changes, and forecast errors.⁶⁸ However, there is no formal agreement on a single, universally accepted statistical standard and there remain alternative ways of measuring the government's fiscal stance. The most popular measure remains the state budget deficit. Other alternatives include the public sector deficit, different GFS-based measures, the 'economic' deficit, and national accounts (SNA93)-based measures, with each method producing significantly different assessments of the overall fiscal situation. For example, the range of estimates for the 2003 public sector deficit varies between 3.9 and 5.7% of GDP.

Additional problems for comparability over time have been created by the relative frequency of recent methodological changes. A particularly contentious issue is the decision on whether to include transfers to the second-pillar open pension funds. Eurostat this year granted Poland a transitional term until February 2009. During this period, the costs can be included on a linear regressive scale starting at 100% the first year and ending with 20% the last year. It is still unclear whether interest payments on the state bonds used to finance the reform can be included in the cost of the reform. The attention devoted to explaining the methodological changes and the efforts to recalculate historical data to ensure compatibility have been limited.⁶⁹

Budget execution and monitoring

The Ministry of Finance releases monthly data on the execution of the state budget which are published on the MoF website with a lag of approximately one month. They are based on budget reports and data provided by the Social Insurance Institution, the Board for Social Insurance of Farmers, and the Ministry of the Economy, Labour, and Social Policy. Some of the data is provided with considerable lags and therefore raises questions about accuracy. The monthly figures cover only the broadest categories of government revenues and expenditures, as well as accounting for the financing of the budget deficit. Additional data is provided on the state of reserves and the overall degree of convergence, in the purely quantitative sense, towards the budget targets. The monthly data is considered final on publication and there are no revision studies.⁷⁰

The government has its internal audit system, which was significantly enhanced in the run-up to EU accession through amendments to the *Act on Public Finances* in 2001 and 2003. The Office of the Prime Minister reviews the controlling procedures. The Ministry of Finance reviews the execution of the budget, and individual ministries monitor the fiscal operations of their subordinate entities.⁷¹

Internal audit procedures conform to the recommendations of the Institute of Internal Auditors (IIA). The Polish law identifies three basic types of internal audit: financial, systems, and performance. The Ministry of Finance has a Department for the Coordination of Financial Control and Internal Audit, which operates on the basis of the *Act on Public Finances* and organises these activities throughout the public sector. The work is supervised by the Chief Inspector of Internal Audit, a high-ranking civil servant.⁷²

Accounting basis

The MoF uses a national budgetary classification, which largely corresponds to the GFS1986 standard and reports cash data. Poland seems to have abandoned plans to adopt an ESA95-compliant standard for national accounting purposes and will instead continue to use the national methodology in the foreseeable future. Attempts to modify the national methodology were found to lead to inconsistencies and a lack of clarity in certain areas.

The responsibility for compiling ESA95-compliant accrual-based fiscal statistics lies with the Central Statistical Office (*Główny Urząd Statystyczny*, GUS), which is currently preparing a manual of how to transfer national accounts into an ESA95-compliant format. Historical data is currently being transformed to the ESA95 format. The MoF uses the ESA95 standard in fiscal forecasts.⁷³ The 2004 *Convergence Programme* provides a comparison of the Polish and ESA95 methodologies. The difference between the two is quite significant from the viewpoint of the Polish fiscal stance.⁷⁴ The biggest discrepancy between the two systems has to do with their different remits, in particular with respect to the treatment of units with a legal personality that apply the Accounting Act to their bookkeeping. Work on reforming the statistics system is managed by a tripartite working group that brings together representatives of GUS, the NBP, and the MoF.

There is minimal performance accounting, since the outcomes of various programmes are not described and compliance in execution is therefore largely understood in the financial sense.⁷⁵

Procurement and employment

Poland has adopted a new public procurement law that fully conforms to EU standards.⁷⁶ Uniform rules are applied to the entire public sector, as defined under the ESA95 definition. National preference has been abolished. Stricter transparency standards have been adopted for large contracts of more than 5 million euros (at least 10 million in construction). Conversely, the administrative requirement for smaller bids of 30,000-60,000 euros has been reduced.⁷⁷ Some criticism continues to be voiced due to the fact that in many situations, methods other than competitive tender would be a more efficient way of allocating projects. Corruption associated with public procurement projects is generally deemed to be more serious on the local than on the national level.⁷⁸

An Office of Public Procurement (*Urząd Zamówień Publicznych*) operates under the auspices of the Office of the Prime Minister. All public procurement projects are publicised on the Office website and in its *Bulletin*.⁷⁹

Employment in the public sector is typically based on competitive search, ability and experience. The regulations broadly match EU standards. Typically for the region, however, nepotism and connections do continue to play a role in certain areas.⁸⁰

Fiscal reporting

As an EU member state outside the euro-zone, Poland is required to produce annual convergence programmes and to report on its fiscal situation on a semi-annual basis. The reports have to include, among other things, medium-term fiscal policy goals designed to ensure a fiscal balance or surplus, a trajectory for attaining the goal, as well as the trajectory of the public debt.⁸¹

Statistics on the execution of the state budget are published in a timely fashion and are deemed to be reliable. Monthly estimates on the expenditures and the financing of the deficit, the size and use of reserves, and general budget execution are made available with a lag of less than a month.⁸²

Reasonably good and comprehensive data on the general government is compiled in a timely fashion in spite of a lack of a centralised Treasury system.⁸³ The need to submit ESA95-compliant general government data to Eurostat, in combination with Poland's plans for euro-zone accession, have increased the attention paid to the general government figures. In spite of this, however, the level of available information on certain areas of public sector operations falls clearly short of the standard for state budget data. The Agricultural Social Insurance Fund (*Kasa Rolniczego Ubezpieczenia Społecznego* KRUS) and ZUS, the state pension fund, for example, receive annual subsidies worth about 50 billion zloty from the state budget, but reporting on their operations is minimal. Similarly, reporting on quasi-fiscal activities is minimal, even if their importance has declined in recent years. Examples

include re-capitalising SOEs from receipts from listed companies with Treasury stakes or Treasury bonds. Similarly, a recent change in the statute of toll highways introduced a fuel charge, the receipts from which are transferred to the National Road Fund.⁸⁴

The final accounts of the government are published in compliance with international best practices and are available on the MoF website.⁸⁵

Poland has still not fully embraced the principles of performance budgeting. While programme objectives are generally identified in the budget documents, only very seldom are the results of these programmes reported in any systematic fashion, which makes it difficult to assess the efficiency of the use of public resources.

4. ACCOUNTABILITY AND ASSURANCES OF INTEGRITY

●●●● Compliance in progress

Data quality standards

As a subscriber to the SDDS, Poland broadly meets the IMF standards for the timeliness and quality of fiscal data. However, it still continues to take its entitled flexibility options for general government and central government operations. The periodicity of the data fully complies with the SDDS standards and the data is consistent both internally and over time. There are some inconsistencies with NBP data and no systematic reconciliation is conducted. All data is deemed final when published.⁸⁶

The MoF publishes its macroeconomic forecasts, but the models they are based on have not been made available. This creates some concern about the independence of forecasting in as much as it creates at least the theoretical possibility of forecasts, on which the budget is based, being influenced by the government's fiscal needs.⁸⁷

Independent scrutiny of fiscal information

Independent Audit

The accounting and auditing functions are strictly separated within the government. An internal audit programme of budgetary entities by certified internal auditors was launched in 2001. The MoF in 2003 issued a code of good practices for auditors.⁸⁸

The Supreme Audit Office (*Najwyższa Izba Kontroli*, NIK) is a constitutionally independent auditor. It operates on the basis of the Constitution and the 1994 *Act on the Supreme Chamber of Control*.⁸⁹ NIK is responsible for auditing the accounts of the central government and extra-budgetary funds and is required to report to the parliament on an annual basis. In addition, it can audit any public sector entities in accordance with its annual plan of action, which typically identifies five priority areas. The president of NIK is appointed by the parliament for a once-renewable six-year term. NIK reports are reviewed by a parliamentary committee. Any irregularities are dealt with through internal procedures or by means of a referral to the prosecutor general.⁹⁰

NIK is generally regarded as a highly professional organisation with adequate human and material resources for its tasks. In particular cases, outside experts can be involved in audits if deemed necessary by the NIK staff. All of its audits are required to control legality, performance, efficiency, finances, and compliance. The methodology of NIK's operations is publicly available. The findings of all audits are published in the Bulletin of Public Information (*Biuletyn Informacji Publicznej NIK*).⁹¹

At the sub-national levels, NIK's remit is limited to control of the subsidies paid by the central government. The audit of the sub-national governments is the constitutional responsibility of 16 regional accounting chambers (*regionalne izby obrachunkowe*), which were set up in 1992 to control the fiscal activities of self-governing entities. Their operations are governed by the 1991 *Act on Regional Accounting Chambers*. NIK can audit the regional accounting chambers, although its activities in this area have been limited and focussed mainly on compliance.⁹²

National Statistics Agency

The Central Statistical Office (*Główny Urząd Statystyczny*, GUS) enjoys statutory independence under the *Act on Official Statistics*.⁹³ The president of the Office is appointed by the prime minister, with the consent of the Statistics Council, for a once-renewable six-year term. The GUS president is accountable to the prime minister.⁹⁴ The GUS president is required to submit an annual programme of statistical surveys to be undertaken, if necessary with other agencies. Organisations agreeing to participate in the survey programme have to report in accordance with the terms set by GUS. GUS has adequate technical and human resources for its work and levels of professionalism are deemed high. However, the comparatively low compensation levels create problems with staff retention. The *Act on Official Statistics* establishes a Statistical Council with the responsibility to monitor GUS' work.⁹⁵

The *Act on Public Finances* places the ultimate responsibility for collecting, processing, and disseminating government finance statistics with the Ministry of Finance. The MoF collaborates with GUS and NBP in its work. The Ministry does not currently have adequate resources for compiling the data in a GFS2001-compliant format. As a result, data collected in accordance with national standards (modified GFS86) is converted by GUS into the ESA95 framework for presentation to Eurostat.⁹⁶

The MoF, based on a national reporting system, submits most fiscal data to GUS. Institutions with a legal identity, such as those that are not budgetary institutions, report separately using an accrual method. The institutions in question operate mainly in higher education and culture (universities, theatres, among others). Data are typically reported on a monthly, quarterly, and annual basis, reported by the line ministries.

INTERVIEWS

Representatives of *Oxford Analytica* interviewed the following individuals during a visit to Poland between 28 September and 4 October 2005:

Ministry of Finance

30 September 2005

Małgorzata Litwin-Staszewska	Analyst	Department of Financial Policy, Analysis, and Statistics
Paweł Kolski	Economist	Department of Financial Policy, Analysis, and Statistics

4 October 2005

Paweł Kowalewski	Director	Department of Public Debt
Bogdan Klimaszewski	Head, Division of Debt Strategy And Projections	Department of Public Debt
Maurycy Michalski	Head, Division of Debt Records and Methodology and Cooperation with International Institutions	Department of Public Debt

National Bank of Poland

29 September 2005

Zbigniew Polański	Advisor to the President	Macroeconomic and Structural Analysis Department
-------------------	--------------------------	--

30 September 2005

Adam B. Czyżewski	Director	Macroeconomic and Structural Analysis Department
-------------------	----------	--

ADDITIONAL INTERVIEWS

28 September 2005

Leszek Kąsek	Economist	World Bank
--------------	-----------	------------

30 September 2005

Robert Sierhej	Economist	International Monetary Fund
----------------	-----------	-----------------------------

3 October 2005

Bohdan Wyżnikiewicz	Vice President	Gdańsk Institute for Market Economies
---------------------	----------------	---------------------------------------

4 October 2005

Andrzej Kościan	Department of National Accounts and Finances	Central Statistical Office (<i>Główny Urząd Statystyczny</i>)
Magdalena Raszkowska	Department of National Accounts And Finances	Central Statistical Office

NOTES

- ¹ Konstytucja Rzeczypospolitej Polskiej, www.sejm.gov.pl/prawo/konstytucja/kon1.htm
- ² Wojciech Misiąg and Adam Niedzielski, *Jawność i przejrzystość sektora publicznego w Polsce*, Warsaw: Instytut Badań nad Gospodarką Rynkową, 2001; "Krajobraz we mgle," *MAKROskop: Polska Gospodarka i Rynki Finansowe*, Warsaw: Bank Zachodni WBK, August 2004, p. 3.
- ³ "Report on the Observance of Standards and Codes (ROSC): Poland: Fiscal Transparency," Washington, D.C.: International Monetary Fund – Fiscal Affairs Department, February 22, 2001, p. 2.
- ⁴ Interviews in Poland, 28 September-4 October 2005.
- ⁵ www.mf.gov.pl/index.php?wysw=2&sgl=2&dzial=230
- ⁶ Ustawa z dnia 26 listopada 1998 r. o finansach publicznych. (Dz. U. Nr 155, poz. 1014).
- ⁷ www.mf.gov.pl/index.php?wysw=1&sgl=2&dzial=297
- ⁸ "Republic of Poland: Report on the Observance of Standards and Codes—Fiscal Transparency Module—Update," *IMF Country Report No. 03/189*, Washington, D.C.: International Monetary Fund, June 2003, p. 1; "Republic of Poland: Report on Observance of Standards and Codes—Fiscal Transparency Module—Update," *IMF Country Report No. 04/219*, Washington, D.C.: International Monetary Fund, 2004, p. 1.
- ⁹ "Republic of Poland: Report on Observance of Standards and Codes—Fiscal Transparency Module—Update," 2004, p. 2.
- ¹⁰ "Republic of Poland: Report on Observance of Standards and Codes—Fiscal Transparency Module—Update," 2004, p. 2.
- ¹¹ "Republic of Poland: Report on the Observance of Standards and Codes—Fiscal Transparency Module—Update," 2003, p. 2.
- ¹² Mirosław Gronicki, "Strategia zarządzania finansami publicznymi państwa na lata 2005 – 2008," Warsaw, 14 March 2005; www.mofnet.gov.pl/dokument.php?dzial=153&id=41776
- ¹³ Interviews in Poland, 28 September-4 October 2005.
- ¹⁴ Constitution, Article 220(2).
- ¹⁵ Interviews in Poland, 28 September-4 October 2005.
- ¹⁶ www.nbp.pl > Polityka pieniężna > Opinie Rady Polityki Pieniężnej do projektów ustawy budżetowej (2001-2005).
- ¹⁷ "Republic of Poland: Report on the Observance of Standards and Codes—Fiscal Transparency Module—Update," 2003, p. 2; "Republic of Poland: Report on Observance of Standards and Codes—Fiscal Transparency Module—Update," 2004, p. 2.
- ¹⁸ "Program prywatyzacji majątku Skarbu Państwa do 2006 r.," Warsaw: Ministry of the Treasury, 18 November 2003, www.msp.gov.pl/indexpol.php?id=62&poz=601
- ¹⁹ www.msp.gov.pl/index_eng.php?dzial=24&id=275
- ²⁰ www.gpw.com.pl/gpw.asp?cel=ogieldzie&i=kataarchiwum&nagnaz=Wydarzenia&ktore=0_2
- ²¹ www.msp.gov.pl/index_eng.php?dzial=33&id=117&poz=6
- ²² www.zus.pl ; www.igte.com.pl
- ²³ "Republic of Poland: Report on the Observance of Standards and Codes—Fiscal Transparency Module—Update," 2003, p. 3; "Republic of Poland: Report on Observance of Standards and Codes—Fiscal Transparency Module—Update," 2004, p. 3; www.mf.gov.pl/index.php?wysw=2&sgl=2&dzial=309; "Strategia zarządzania długiem sektora finansów publicznych w latach 2005-07," Warsaw: Ministry of Finance, March 2004. www.mf.gov.pl/files/_dlug_publiczny/strategie_zarzadzania_dlugiem/strategia_2005_07.pdf
- ²⁴ Interviews in Poland, 28 September-4 October 2005; Joanna Kołodziej, "Ceny kontrolowane w wybranych krajach Europy Środkowo-Wschodniej oraz w Unii Europejskiej," *Bank i Kredyt*, August 2004.
- ²⁵ www.uokik.gov.pl
- ²⁶ "ROSC: Poland: Fiscal Transparency," 2001, p. 2.
- ²⁷ Interviews in Poland, 28 September-4 October 2005.
- ²⁸ "Republic of Poland: Report on the Observance of Standards and Codes—Fiscal Transparency Module—Update," 2003, p. 2; "Republic of Poland: Report on Observance of Standards and Codes—Fiscal Transparency Module—Update," 2004, p. 2.
- ²⁹ *Strategia podatkowa: Wersja skrócona*, Ministry of Finance, January 2004, www.mf.gov.pl/files/_podatki/strategia_podatkowa/strategia_podatkowa_wersja_skrcona_9_01_04.pdf
- ³⁰ www.mf.gov.pl/sluzba_celna/dokument.php?dzial=425&id=33683

- ³¹ *Strategia reformy polskiej administracji podatkowej do roku 2004*, Ministry of Finance, August 2002, www.mf.gov.pl/files/informatory/strategia_modernizacji/pap_modernizacja2004.pdf
- ³² "Republic of Poland: Report on the Observance of Standards and Codes—Fiscal Transparency Module—Update," 2003, p. 2; "Krajobraz we mgle," p. 4.
- ³³ "Republic of Poland: Report on Observance of Standards and Codes—Fiscal Transparency Module—Update," 2004, p. 2.
- ³⁴ www.mf.gov.pl/sluzba_celna/aktualnosci/index.php
- ³⁵ "ROSC: Poland: Fiscal Transparency," 2001, p. 3.
- ³⁶ GRECO Groupe d'Etats contre la corruption, *Second Evaluation Round: Evaluation Report on Poland*, Strasbourg, 14 May 2004, pp. 10-13.
- ³⁷ www.transparency.org/policy_and_research/surveys_indices/cpi/2005
- ³⁸ GRECO, *Evaluation Report on Poland*, 2004, p. 6.
- ³⁹ "ROSC: Poland: Fiscal Transparency," 2001, pp. 3-4.
- ⁴⁰ "Republic of Poland: Report on Observance of Standards and Codes—Fiscal Transparency Module—Update," 2004, p. 3; www.mf.gov.pl/dokument.php?dzial=35&id=29854
- ⁴¹ "ROSC: Poland: Fiscal Transparency," 2001, p. 4.
- ⁴² "Republic of Poland: Report on the Observance of Standards and Codes—Fiscal Transparency Module—Update," 2003, p. 4.
- ⁴³ "Republic of Poland: Report on the Observance of Standards and Codes—Fiscal Transparency Module—Update," 2003, p. 3.
- ⁴⁴ *Biuletyn Finansów Publicznych: Kwartalnik*. Instytut Badań nad Gospodarką Rynkową, No. 3(11)/2204, p. 13.
- ⁴⁵ Interviews in Poland, 28 September-4 October 2005.
- ⁴⁶ Interviews in Poland, 28 September-4 October 2005.
- ⁴⁷ Interviews in Poland, 28 September-4 October 2005.
- ⁴⁸ Interviews in Poland, 28 September-4 October 2005.
- ⁴⁹ Rzeczpospolita Polska, *Program konwergencji (przyjęty przez Radę Ministrów w dniu 30.04.2004 r.)*, Warsaw, April 2004.
- ⁵⁰ "ROSC: Poland: Fiscal Transparency," 2001, p. 4.
- ⁵¹ "Republic of Poland: Report on the Observance of Standards and Codes—Fiscal Transparency Module—Update," 2003, p. 4.
- ⁵² "Republic of Poland: Report on Observance of Standards and Codes—Fiscal Transparency Module—Update," 2004, p. 4.
- ⁵³ Interviews in Poland, 29 September-4 October 2005.
- ⁵⁴ www.mf.gov.pl/dokument.php?dzial=32&id=33565
- ⁵⁵ "Krajobraz we mgle," p. 5; www.mf.gov.pl/files/raporty_analzy_statystyki/program_konwergencji/cep_2004_pl.pdf
- ⁵⁶ "ROSC: Poland: Fiscal Transparency," 2001, p. 4.
- ⁵⁷ *Integracja Polski ze strefą euro: Uwarunkowania członkostwa i strategia zarządzania procesem*, Ministry of Finance, Warsaw, August 2005, www.mf.gov.pl/files/aktualnoci/2005/sierpień/integracja_polski_ze_strefa_euro1.pdf
- ⁵⁸ www.mf.gov.pl/index.php?wysw=5&sgl=2&dzial=90
- ⁵⁹ "ROSC: Poland: Fiscal Transparency," 2001, p. 4.
- ⁶⁰ "Republic of Poland: Report on the Observance of Standards and Codes—Fiscal Transparency Module—Update," 2003, p. 5.
- ⁶¹ *Program konwergencji*, April 2004, pp. 29-33, 39-46.
- ⁶² "ROSC: Poland: Fiscal Transparency," 2001, p. 4.
- ⁶³ "ROSC: Poland: Fiscal Transparency," 2001, p. 5; "Republic of Poland: Report on the Observance of Standards and Codes—Fiscal Transparency Module—Update," 2003, p. 4; "Krajobraz we mgle," p. 5.
- ⁶⁴ Constitution, Article 216(5).
- ⁶⁵ "ROSC: Poland: Fiscal Transparency," 2001, p. 5.
- ⁶⁶ "Republic of Poland: Report on Observance of Standards and Codes—Fiscal Transparency Module—Update," 2004, p. 4; "Krajobraz we mgle," p. 5.
- ⁶⁷ "ROSC: Poland: Fiscal Transparency," 2001, p. 5.
- ⁶⁸ "ROSC: Poland: Fiscal Transparency," 2001, p. 5.

⁶⁹ “Krajobraz we mgle,” p. 4; *OECD Economic Surveys: Poland*, Volume 2004/8, Paris: Organisation for Economic Development, June 2004, p. 74.

⁷⁰ “Poland: Report on the Observance of Standards and Codes—Data Module; Response by the Authorities; and Detailed Assessments Using the Data Quality Assessment Framework,” *IMF Country Report No. 03/311*, Washington, D.C.: International Monetary Fund, October 2003, p. 14;

www.mf.gov.pl/dokument.php?dzial=34&id=29003

⁷¹ www.mf.gov.pl/index.php?wysw=4&sgl=2&dzial=462; Ministerstwo Finansów, *Zasady wdrażania kontroli finansowej i audytu wewnętrznego w polskiej administracji publicznej*, Warsaw, 31 January 2003.

⁷² Act on Public Finances, Articles 35n(2)1, 2; *Zasady wdrażania kontroli finansowej i audytu wewnętrznego w polskiej administracji publicznej*, p. 2.

⁷³ “Republic of Poland: Report on Observance of Standards and Codes—Fiscal Transparency Module—Update,” 2004, p. 4.

⁷⁴ *Program konwergencji*, April 2004, pp. 6-7.

⁷⁵ “ROSC: Poland: Fiscal Transparency,” 2001, p. 5.

⁷⁶ Ustawa z dnia 29 stycznia 2004 r. Prawo zamówień publicznych (Dz.U. Nr 19, poz. 177); <http://www.uzp.gov.pl> > Prawo.

⁷⁷ Constitution of the Republic of Poland, Articles 202-207; *Ustawa z dnia 23 grudnia 1994 r. o Najwyższej Izbie Kontroli*; “Republic of Poland: Report on Observance of Standards and Codes—Fiscal Transparency Module—Update,” 2004, p. 4.

⁷⁸ Interviews in Poland, 11-13 October 2004.

⁷⁹ www.uzp.gov.pl

⁸⁰ Interviews in Poland, 11-13 October 2004.

⁸¹ “Krajobraz we mgle,” p. 5.

⁸² “Krajobraz we mgle,” p. 4; <http://www.mf.gov.pl/dokument.php?dzial=34&id=29003>.

⁸³ “ROSC: Poland: Fiscal Transparency,” 2001, p. 5.

⁸⁴ “Krajobraz we mgle,” p. 5.

⁸⁵ www.mf.gov.pl/index.php?wysw=2&sgl=2&dzial=36

⁸⁶ “Poland: Report on the Observance of Standards and Codes—Data Module,” October 2003, p. 15.

⁸⁷ “Krajobraz we mgle,” p. 5.

⁸⁸ “Republic of Poland: Report on the Observance of Standards and Codes—Fiscal Transparency Module—Update,” 2003, p. 5.

⁸⁹ Constitution, Article 202.

⁹⁰ *Sprawozdanie z działalności Najwyższej Izby Kontroli w 2003 roku – Supreme Chamber of Control Annual Report 2003*; Interviews in Poland, 11-13 October 2004.

⁹¹ www.nik.gov.pl/polski.html; Interviews in Poland, 11-13 October 2004.

⁹² Constitution of the Republic of Poland, Article 171(2); www.rio.gov.pl; *Ustawa z dnia 7 października 1992 r. o regionalnych izbach obrachunkowych (Dz.U. 01.55.577)*; “ROSC: Poland: Fiscal Transparency,” 2001, p. 6.

⁹³ “ROSC: Poland: Fiscal Transparency,” 2001, p. 6; *Ustawa z dnia 29 czerwca 1995 r. o statystyce publicznej*; www.stat.gov.pl/index.htm

⁹⁴ www.stat.gov.pl/index.htm

⁹⁵ “Poland: Report on the Observance of Standards and Codes—Data Module,” October 2003, pp. 9, 10.

⁹⁶ “Poland: Report on the Observance of Standards and Codes—Data Module,” October 2003, p. 9; Interviews in Poland, 11-13 October 2004.